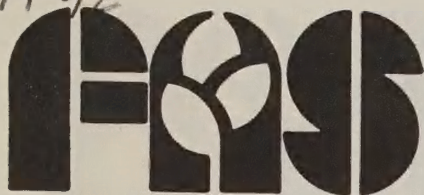


Historic, Archive Document

Do not assume content reflects current
scientific knowledge, policies, or practices.

94D1761
A213
C1742

STA/STA



REPORT

U.S. DEPT. OF AGRICULTURE
NATL. AGRIC. LIBRARY
RECEIVED

United States
Department of
Agriculture
Foreign
Agricultural
Service

Washington, D.C. 20250

MAR 10 '83

WEEKLY ROUNDUP OF WORLD PRODUCTION AND TRADE

WR 29-82

WASHINGTON, July 21--The Foreign Agricultural Service of the U.S. Department of Agriculture today reported the following recent developments in world agriculture and trade:

GRAIN AND FEED

The CANADIAN Wheat Board announced an additional sale of 300,000 tons of wheat to China for August-September delivery. This follows a 500,000 ton sale made several weeks ago and brings total Canadian wheat sales to China to 2.5 million for delivery during August 1982-January 1983, or 1 million tons above the levels shipped in the same period last year. Increased Chinese purchases from Canada and other sources indicate potential record Chinese imports this year of about 15 million tons, compared with less than 13 million tons during July/June 1981/82.

In the SOVIET UNION, the 1982 grain harvest has begun. As of July 12, some 5.1 million hectares had been harvested according to the first report for the season. Harvest in the major winter grain areas in the southern European USSR, which has been hampered by wet and cool weather, is much slower than in 1981, when 12.2 million hectares had been harvested as of July 12 and conditions were favorable.

WORLD grain supply-demand prospects, as now projected for the 1982/83 season, have shifted significantly during the past month because of a further serious decline in Soviet crop prospects, indications that Chinese wheat import needs will be substantially above last year's volumes, and reduced export availabilities from Australia. Significantly, in each of these situations--which involve two of the world's largest grain importers and a major wheat exporting country--the potential exists for further major supply-demand adjustments in the coming weeks. Additionally, concerns and uncertainty regarding the domestic availability of wheat in India and China, drought-afflicted crops in South Korea, Italy and Syria, and delayed plantings in Mexico suggest that global grain import demand, particularly for wheat, during the next 12 months may recover sharply from the stagnation of the past year. Estimated wheat and corn exports by the United States--the only major grain exporting country with sufficient available supplies to meet additional import demand--have been increased by 2.5 million and 1 million tons, respectively.

-more-

LYNN KRAWCZYK, Editor, Tel. (202) 382-9442. Additional copies may be obtained from FAS Information Services Staff, 5918-South, Washington, D.C. 20250. Tel. (202) 447-7937.

ROMANIA's 1981 corn crop was reported at 9.5 million tons, according to the Council for Mutual Economic Assistance's (CEMA) section of preliminary statistics published annually by the Polish government. The Romanian government reported corn production last year at 11.8 million tons, which was thought to be high by observers of the situation, given the season's weather conditions. The USDA currently uses the 11.8 million-ton figure.

In its annual statistical publication, "The USSR in Numbers," the SOVIET UNION's Central Statistical Administration this week failed to give the grain production figure for 1981. Although the data in this publication are preliminary, important figures are omitted only very rarely. Omission of the grain harvest figure was not unexpected, however, since it also had been excluded from Ukrainian statistics released last week.

In SPAIN, favorable precipitation in the central and northern regions has relieved dry conditions that persisted into late spring, according to the U.S. agricultural counselor in Madrid. Both wheat and barley production benefited from this moisture, and crops of 4.6 million tons and 5.7 million tons, respectively, are now expected.

The dry conditions in KOREA in May and June have continued through mid-July, further worsening the outlook for the 1982/83 rice crop. Rainfall through mid-July has measured only 20-40 percent of normal. Cumulative rainfall since May shows a deficit of 12-16 inches. The U.S. agricultural counselor in Seoul reports irrigation supplies were critically low in June and that a more normal rate of rainfall was urgently needed in July to replenish water supplies and stem off the drought. Based on conditions as of July 12, USDA estimated the 1982/83 crop at 6.7 million tons (rough basis), about 5 percent lower than last year's production and 20 percent lower than the record level high of 1977.

OILSEEDS

SPAIN's Ministry of Agriculture recently released its first estimate for the 1982 sunflowerseed crop--a record 581,000 tons, nearly 95 percent above last year's drought-reduced output. The area was placed at a record 815,000 hectares. In view of the large 1982 crop, Spain has discontinued issuing import licenses for confectionery sunflowers until next fall.

-more-



REPORT

United States
Department of
Agriculture
Foreign
Agricultural
Service
Washington, D.C. 20250

CCC EXTENDS EXPORT PERIOD UNDER GUARANTEE LINE TO BRAZIL

WASHINGTON, Sept. 29--The Commodity Credit Corporation (CCC) today extended the export period under the \$355 million guarantee line authorized for this fiscal year to U.S. exporters for sales of U.S. wheat to Brazil under the Export Credit Guarantee Program (GSM-102), according to James E. Ross, acting general sales manager for the U.S. Department of Agriculture's Foreign Agricultural Service.

The export period has been extended from Jan. 31, 1983, through Feb. 28, 1983. A balance of \$31.2 million is currently available to U.S. exporters under this guarantee line. In order to be eligible for up to three-year coverage, all sales must be registered with CCC by Sept. 30, 1982.

To be eligible for guarantees, U.S. exporters must submit an application along with a guarantee fee to CCC before export is completed. The guarantor is Banco do Brasil and/or other eligible banks.

The guarantee rates include a charge to provide for a per annum interest rate coverage of up to 8 percent on the guaranteed value. Exporters may apply for a guaranteed value up to a maximum of 98 percent of the port value.

Based on semiannual repayments of principal, plus accrued interest, the fee rate is 15.6 cents per \$100 for six months; 23.4 cents per \$100 for one year; 39.3 cents per \$100 for two years; and 56.5 cents per \$100 for three years.

Based on equal annual repayments of principal, plus accrued interest, the fee rate is 32.9 cents per \$100 for one year; 50.1 cents per \$100 for two years; and 69.2 cents per \$100 for three years.

For further information, call Lorraine Potts (202)447-3224.

PR 163-82
Turett (202)447-7937

POULTRY

Poultry numbers in TUNISIA expanded rapidly during the past 10 years, growing from 5.5 million birds in 1972 to 25 million in 1981, according to the U.S. agricultural trade officer in Tunis. Tunisia is self-sufficient in poultry meat, with poultry's share of total meat production climbing from around 8 percent in 1970 to 29 percent in 1981. This rapid expansion has been facilitated by the government's policy of subsidized feed costs, which, in combination with retail price controls, enabled poultry to become the most affordable animal protein source in the Tunisian diet. Dressed broiler prices are currently 38 percent below those of the cheapest beef cuts and 75 percent below mutton.

Earlier this year, Tunisia moved closer to market pricing for feedstuffs in an effort to reduce its growing subsidy payment burden. Although ceiling prices for poultry meat were also abolished, significant price increases for feedstuffs have reduced producer profit margins and could force some marginal producers out of production. The reduced subsidy payments may, however, permit the government to focus on needed improvements in the supportive infrastructure of the industry, such as disease-control programs, ration and nutrition programs and the production of day-old chicks. While poultry meat production is expected to continue to grow, a continued policy of reduced subsidies and higher retail prices would likely slow the rate of expansion.

COTTON

The SOVIET UNION's 1982/83 cotton crop is projected at 13.75 million bales, about the same as last year. Water shortage problems in the cotton belt continue to cause some concern. The cotton crop, however, could recover if fairly normal weather conditions prevail during the summer and fall, if sufficient water is directed to the crop and if an early frost does not occur.

For the past two seasons (1980/81 and 1981/82), there has been a noticeable decline in SOUTH AFRICA's cotton production primarily due to persistent drought conditions and a decline in planted acreage. According to the U.S. agricultural counselor in Pretoria, between 1980/81 and 1981/82, cotton area dropped from 115,000 hectares to 108,000 and production dropped from 271,000 bales to 213,000.

The decline in cotton area can be attributed to producer dissatisfaction with prices, which caused many cotton farmers to switch from cotton to more remunerative crops, such as tobacco, vegetables, wheat, peanuts and corn. Nevertheless, preliminary cotton production prospects for the 1982/83 season suggest some modest improvement from the previous season's poor showing. However, much will depend on weather conditions between now and October, when planting begins, and the government's policy toward cotton support prices.

-more-

HORTICULTURAL AND TROPICAL PRODUCTS

Although the June 14-25 meeting of the INTERNATIONAL COFFEE COUNCIL was extended until July 3, Council members were unable to reach agreement on 7 of 70 articles to be included in the new International Coffee Agreement, which becomes effective Oct. 1, 1983. The remaining seven articles include those dealing with basic export quotas, treatment of Annex 1 countries, distribution of quotas between the fixed and variable portions, selectivity and the collection of price data. The Council will convene a new meeting September 6-17 to resolve the remaining issues.

In the SOVIET UNION, refined sugar production from domestic sugar beets in 1981 was reportedly 5.9 million tons, compared with 6.6 million in 1980, according to an official Soviet publication. This is equivalent to 6.4 million tons on a raw value basis in 1981. In 1981, poor seed resulted in thin stands, which, along with the drought, reduced the Soviet beet crop to 60.6 million tons, down nearly 20 million tons from the 1980 level.

RECENT FOREIGN AGRICULTURE CIRCULARS

Horticultural Products Review, FHORT 1-82
1981/82 World Sugar and Molasses Situation, FS 1-82
World Coffee Situation, FCOF 2-82
Reduced Australian, USSR Grain Crop Estimates Lower
Expected World Production Levels, WCP 7-82
1982 Soviet Grain Crop Prospects Reduced Further, FPED 7-82

TO ORDER, CONTACT: U.S. Department of Agriculture, FAS Information Services Staff, 5918-South, Washington, D.C. 20250. Tel. (202) 447-7937.

-more-

Rotterdam Prices and E.C. Import Levies:

Asking prices in U.S. dollars for imported grain and soybeans, c.i.f., Rotterdam, the Netherlands, compared with a week earlier and a year ago:

Item	July 20, 1982	Change from previous week	A year ago
	\$ per m. ton	\$ per bu.	¢ per bu.
Wheat			
Canadian No. 1 CWRS-13.5%.....	198.00 7/	5.39	+3
U.S. No. 2 DNS/NS: 14%.....	177.50	4.85	+4
U.S. No. 2 DHW/HW: 13.5%.....	1/	1/	1/
U.S. No. 2 S.R.W.....	145.00	3.95	+11
U.S. No. 3 H.A.D.....	173.00	4.71	+14
Canadian No. 1 A: Durum.....	189.00	1/	1/
Feed grains:			
U.S. No. 3 Yellow Corn.....	122.00	3.10	-6
U.S. No. 2 Sorghum 2/.....	134.00	1/	1/
Feed Barley 3/.....	1/	1/	1/
Soybeans:			
U.S. No. 2 Yellow.....	247.50	6.74	-6
Brazil 47/48% Soya Pellets 4/.....	213.00	--	-3.00 5/
U.S. 44% Soybean Meal (MT).....	211.00	--	-2.00 5/
EC Import Levies			
Wheat 6/.....	102.28	2.78	-.02
Barley.....	94.05	2.05	+.12
Corn.....	91.28	2.32	+.02
Sorghum.....	93.44	2.37	+.04

1/ Not available.

2/ Optional delivery: Argentine Granifero Sorghum.

3/ Optional delivery: Canadian Feed Barley.

4/ Optional delivery: Argentine.

5/ Dollars per metric ton.

6/ Durum has a special levy.

7/ August shipment.

Note: Basis August delivery.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D.C. 20250

OFFICIAL BUSINESS
PENALTY FOR PRIVATE USE, \$300

POSTAGE AND FEES PAID
U.S. DEPARTMENT OF
AGRICULTURE



AGR 101
FIRST CLASS

If you no longer need this publication, check here _____ and return this sheet and/or envelope in which it was mailed and your name will be dropped from mailing list.

If your address should be changed _____ PRINT OR TYPE the new address, including ZIP CODE and return the whole sheet and/or envelope to:

FOREIGN AGRICULTURAL SERVICE, Room 5918 So.
U.S. Department of Agriculture
Washington, D.C. 20250